

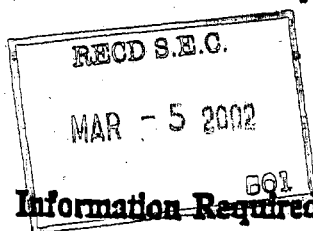


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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III



SEC FILE NUMBER  
8-18072

## FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING January 1, 2001 AND ENDING December 31, 2001  
MM/DD/YY MM/DD/YY

## A. REGISTRANT IDENTIFICATION

## NAME OF BROKER-DEALER:

Staten Securities Corporation

## ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

Glen Rock Plaza, 266 Harristown Road

OFFICIAL USE ONLY

FIRM ID. NO.

(No. and Street)

Glen Rock

N.J.

07452

(City)

(State)

(Zip Code)

## NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Anthony Pallo

(201) 670-6800

(Area Code - Telephone No.)

## B. ACCOUNTANT IDENTIFICATION

## INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Todman &amp; Co., CPAs, P.C.

(Name - if individual, state last, first, middle names)

120 Broadway

New York

N.Y.

10271

(Address)

(City)

(State)

(Zip Code)

## CHECK ONE:

☒ Certified Public Accountant☐ Public Accountant☐ Accountant not resident in United States or any of its possessions.

PROCESSED

APR 9 9 2002

THOMSON  
FINANCIAL

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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

## OATH OR AFFIRMATION

I, Anthony Pallo, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Staten Securities Corporation, as of December 31, 2001, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Anthony Pallo  
Signature  
Pres.  
Title

Victor Michael Marchione  
Notary Public  
VICTOR MICHAEL MARCHIONE  
NOTARY PUBLIC OF NEW JERSEY  
Commission Expires 11/19/2004

This report\*\* contains (check all applicable boxes):

- ☐ (a) Facing page.
- ☐ (b) Statement of Financial Condition.
- ☐ (c) Statement of Income (Loss).
- ☐ (d) Statement of Changes in Financial Condition.
- ☐ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☐ (g) Computation of Net Capital
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☐ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-3(e)(3).

**STATEN SECURITIES CORPORATION**  
**FINANCIAL CONDITION**  
**DECEMBER 31, 2001**

## **TODMAN & Co., CPAs, P.C.**

*Certified Public Accountants and Business Consultants* -----

**120 Broadway  
New York, NY 10271  
TEL. (212) 962-5930  
FAX (212) 385-0215**

### **INDEPENDENT AUDITORS' REPORT**

To the Officers and Directors of  
**Staten Securities Corporation**  
Glen Rock Plaza  
266 Harristown Road  
Glen Rock, New Jersey 07452

We have audited the accompanying statement of financial condition of Staten Securities Corporation as of December 31, 2001. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with U. S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial condition. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial condition presentation. We believe that our audit of the statement of financial condition provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of Staten Securities Corporation as of December 31, 2001, in conformity with U. S. generally accepted accounting principles.

*Todman & Co CPAs P.C.*

**New York, New York  
February 14, 2002**

**STATEN SECURITIES CORPORATION**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2001**

**ASSETS**

Cash	\$ 40,289
Commission receivable	20,841
Due from broker	99,601
Investment, at cost	19,500
Furniture and equipment, less accumulated depreciation of \$23,652	<u>6,000</u>
 Total assets	 <u>\$ 186,231</u>

**LIABILITIES AND STOCKHOLDER'S EQUITY**

Liabilities	
Accrued expenses	\$ <u>22,500</u>
 Total liabilities	 <u>22,500</u>
 Commitment	
 Stockholder's equity	
Common stock, par value - \$.01 per share	
Authorized, issued and outstanding - 1,000 shares	10
Additional paid-in capital	225,240
Accumulated deficit	<u>(61,519)</u>
 Total stockholder's equity	 <u>163,731</u>
 Total liabilities and stockholder's equity	 <u>\$ 186,231</u>

The accompanying notes are an integral part of this financial statement.